

BOARD OF LEADERS

December 13, 2018

Dear Fellow USC Marshall Board of Leaders Members,

The USC Trustees met yesterday and discussed the Interim President's decision to terminate Jim Ellis, effective June 30, 2019, as Dean of the Marshall School.

The news is not good. The Trustees voted to support the Interim President's procedure/decision. And, unfortunately, under the University's governance there is no further venue for formal appeal at USC.

This is hard news for all of us at the Marshall School of Business and all of its stakeholders – students, faculty/staff, alumni and supporters, alike – and, of course for our extraordinarily accomplished and respected Dean, Jim Ellis... our friend and colleague.

We are working today to gather all the facts, gain some perspective and begin to develop the way(s) forward in the wake of this unfortunate, and what seems to be a misinformed, misguided decision.

At this point, here's what we know, and/or surmise...

- **The Trustees' decision seemed to be one of confirming process, not one based on a de novo transparent, complete and professional examination of the actual facts on the ground.** They voted yesterday to support their Interim President's authorities and procedures, but choosing therefore not to address finding a better approach/outcome, or even to discuss/revisit the complete information and facts concerning the Marshall School in general, or Dean Ellis, specifically. They chose to disregard the University Academic Senate's unanimous resolution, as well.

This is probably why it is so hard for thoughtful business executives and leaders to understand and process this outcome... since we are trained to make pragmatic decisions based on facts (which are sometimes incomplete or conflicting), and yet when we develop more information that requires us to pivot – or modify – those decisions, we do so. We are trained to be '*substance over form*' decision-makers. On its face, yesterday's decision makes no sense based on the facts.

- **There was no new information presented that was disparaging of Dean Ellis' work, record or actions.** There is no “smoking gun” we know about, and while the ‘Cooley Report’ was never made available and we don’t know exactly what it contains, we do know from those that have read it that its conclusions simply don’t support – or recommend – this action.
- **We know Jim Ellis.** We know firsthand his character, his vision, his executive talents, his record of performance and we have worked with him – and challenged him – for more than a decade as he redirected Marshall’s trajectory and it’s stature across all performance metrics. He is an extraordinarily talented leader, a person of integrity and uncompromised ethics, and an unwavering champion of diversity, inclusion and fairness. Nothing about yesterday’s decision changes that. Our unqualified endorsement and support for Dean Ellis is unaffected this morning.
- **The Board of Leaders’ thorough presentation of the complete facts-on-the-ground, and its recommendation to the Trustees – to immediately initiate a truly independent, professional and transparent values-based study of Marshall’s ethos, its record of leadership in diversity, inclusion, equity and fairness across the School’s entire operations and culture, including the Office of the Dean, and to immediately implement any recommendations and findings in what would become the nation-leading “Marshall Model/Initiative” – were disregarded.**

The Marshall School’s future is a bit cloudy and uncertain. It’s a hard morning. As its Board of Leaders, we need to assess the landscape and continue to be an engaged, positive part of Marshall’s leadership as the Dean continues to move Marshall forward. As we process these recent events, we can soon make some informed decisions collectively, and individually. We serve the Dean, and we serve the Marshall School of Business. We must think... then we can act.

FYI, a couple of news articles have been published overnight. As you probably expect, they report the decision, but are not comprehensive about the entirety of the situation. To keep you current with the media’s reporting, here are the links:

<https://www.latimes.com/local/lanow/la-me-ln-usc-business-school-dean-trustees-20181212-story.html>

<http://labusinessjournal.com/news/2018/dec/09/usc-community-roiled-ouster-marshall-school-dean/>

And, also attached is the brief statement issued late yesterday by the Board of Trustees.

Lastly, I want to personally thank all of you for the extraordinary acts of leadership that so many of you made during this crisis. Your personal engagement in the fact-finding and communications process were remarkable. Your letters were factual, articulate, thoughtful and compelling. Simply said, your personal acts of leadership were exceptional. I am convinced that everything possible was done to present the entire facts, the complete information to the Trustees... and I know Jim Ellis joins me in thanking you for such genuine and professional, personal acts of leadership.

We'll be back to you when we know more.

Respectfully,

A handwritten signature in blue ink, appearing to read "G Hillgren", with a long horizontal stroke extending to the right.

Greg Hillgren  
Vice-Chairperson  
USC Marshall Board of Leaders